

## **OUTCOMES for Subcommittee No. 3: March 18, 2004**

- (Please reference the Subcommittee Agenda in tandem with these outcomes.)

### **A. 4200 DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS (DADP)**

#### **VOTE ONLY ITEM**

##### **1. Performance Partnership Grants**

**page 2**

*Key issue:* budget provides a \$260,000 federal SAPT funding augmentation and establishes 3 new positions to evaluate, plan and implement the federal Performance Partnership Grants.

*Action:* Approved as budgeted

*Vote:* 3-1 (*Aye:* Chesbro, Cedillo, Ortiz; *No:* McPherson)

##### **2. Screening, Brief Intervention, Referral and Treatment Grant**

**page 3**

*Key issue:* budget provides a \$3.5 million federal funding increase to support the delivery of alcohol and drug screening, intervention, referral and treatment services to adult patients in medical settings across four counties.

*Action:* Approved as budgeted.

*Vote:* 3-1 (*Aye:* Chesbro, Cedillo, Ortiz; *No:* McPherson)

#### **DISCUSSION ITEMS:**

##### **1. Drug Medi-Cal (DMC)**

**page 3**

*Key issue:* budget increases funding for the Drug Medi-Cal program by \$5.4 million (\$3.1 million General Fund) to \$109.6 million.

*Action:* Kept Drug Medi-Cal funding and caseload open.

##### **Issue A – Legislative Analyst’s Review of Drug Medi-Cal Program**

**page 4**

*Key issue:* LAO reviewed Drug Medi-Cal Program and made recommendations to increase access to alcohol and other drug treatment services and to contain costs of Methadone treatment.

*Action:* Informational item. No action taken.

##### **2. Substance Abuse Prevention and Treatment (SAPT) Block Grant**

**page 6**

*Key issues:* State may not meet the SAPT MOE in the current year. Budget proposes funding for alcohol and drug treatment services above the MOE. Discussion of criteria counties consider when establishing SAPT priorities.

*Action:* Kept issue open.

### **3. Substance Abuse and Crime Prevention Act**

**page 8**

*Key issue:* Discussion of implementation of Proposition 36 and available outcome data.

*Action:* Informational item. No action taken.

### **4. Dependency Drug Courts**

**page 9**

*Key issue:* Data from Sacramento's dependency court and associated foster care savings.

*Action:* Directed Subcommittee staff to work with DOF, DADP, DSS and other stakeholders to document the level of foster care savings to be realized through dependency drug courts and to consider strategies to improve access to treatment for parents involved in dependency court.

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

## **B. 5180 DEPARTMENT OF SOCIAL SERVICES (DSS)**

### **VOTE ONLY ITEMS**

#### **1. Adoptions Services**

**page 12**

*Key issue:* budget provides \$87.9 million (\$48.1 general fund) to fund the Adoptions Program.

*Action:* Approved as budgeted.

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

#### **2. Kinship Guardianship Assistance Program (KinGAP)**

**page 12**

*Key issue:* budget provides \$92.3 million for the KinGAP program, reflecting an 8.2 % increase.

*Action:* Approved as budgeted

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

### **ITEMS FOR DISCUSSION**

#### **1. California Child and Family Services Review and Program Reforms**

**page 13**

*Key issue:* discuss how the different child welfare services reforms fit together and their impact on program outcomes.

*Action:* Informational item. No action taken.

#### **2. Child Welfare Services (CWS)**

**page 15**

##### **Issue A - Maintains county unit costs at the 2001-02 funding level.**

**page 15**

*Key issue:* budget funds counties at their 2001-02 funding levels and calculates costs to maintain each county's prior year social worker funding level. Counties estimate that maintaining county funding for CWS at the 2001-02 level amounts to a \$23.1 million reduction.

*Action:* Kept issue open.

**Issue B - Senate Bill 2030, the CWS Augmentation and Social Worker Training.** **page16**

Key issue: The SB 2030 Child Welfare Services Workload Study found that caseworkers were seriously overburdened. Augmentations have been provided. Caseloads remain high.

*Action:* Informational item. No action taken.

**Issue C - Child Welfare Services Redesign** **page17**

Key issue: budget provides \$5.9 million (\$555,000 General Fund) in the current year and \$19.1 million (\$558,000 General Fund) in the budget year to support various CWS Redesign activities.

*Action:* Rejected funding for CWS Redesign in the budget year. Redirected funding proposed for Redesign to reduce proposed TANF funding for AB 636 and PIP activities. Expressed willingness to reconsider Redesign proposal during may Revision, contingent on development of an implementation plan.

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

**Issue D - Program Improvement Plan Funding** **page17**

Key issue: budget provides \$8.3 million (\$3.5 million General Fund) in the current year and \$10.6 million (\$749,000 General Fund) in the budget year to support PIP activities.

*Action:* Kept issue open.

**Issue F - Child Welfare Outcomes and Accountability System** **page18**

Key issue: budget provides \$3.7 million (\$1.6 million General Fund) in the current year and \$9.5 million (\$3.2 million General Fund) in the budget year to fund Child Welfare Outcomes and Accountability System activities.

*Action:* Kept issue open. Requested that DSS work with counties to consider estimates of AB 636 workload and update the proposed funding by the May Revision. Directed Subcommittee staff to work with LAO, CWDA and the Administration to identify sources of funding for county self-improvement plans.

**Issue G - Child Welfare Services/ Case Management System** **page19**

Key issue: State is out of compliance with federal SACWIS requirements. California has lost enhanced federal financial participation for CWS/CMS and may be required to repay the federal government for past federal funding.

*Action:* Kept issue open.

**Issue H - Promoting Safe and Stable Families (PSSF)** **page21**

Key issue: budget reflects increase in PSSF funding of \$4 million, for a total of \$61.7 million.

*Action:* Informational item. No action taken.

#### **4. Foster Care Program**

**page22**

##### **Issue A - Foster Care Program – Compensation for County Services**

**page22**

Key issue: budget compensation for county services is based on 2000-2001 county costs. Counties estimate that maintaining funding for Foster Care Administration at the 2001-02 level amounts to a \$28.3 million reduction.

*Action:* Kept issue open.

##### **Issue B - Implements *Rosales v. Thompson***

**page22**

Key issue: budget increases foster care funding by \$36.7 million (\$7.5 million General Fund) to implement the *Rosales v. Thompson* court decision which expanded federal foster care eligibility. LAO estimates additional net savings of \$5.3 million in Foster Care and AAP program costs.

*Action:* Adopted LAO estimate of additional savings in Foster Care and AAP costs. Requested that DSS work with LAO and counties to revise its estimate to include additional potential savings and costs. Kept issue open.

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

##### **Issue C - Proposes to Develop and Implement Foster Care Reforms**

**page24**

Key issue: budget assumes \$20 million GF savings resulting from programmatic reforms including reforms to shorten the period of time children spend in foster care.

*Action:* Kept issue open.

##### **Issue D - Relative Home Assessment**

**page24**

Key issue: budget provides \$12 million to support relative caregiver home assessments. DSS is developing an All County Letter to require annual licensing visits of relative homes.

*Action:* Requested that DSS work with counties to revise its estimate. Kept issue open.

##### **Issue E - TANF Fund transfer to Foster Care**

**page25**

Key issue: budget transfers \$56.6 million in Temporary Aid for Needy Families (TANF) funds from CalWORKs to the Foster Care program to offset General Fund costs.

*Action:* Kept issue open.

##### **Issue F - Supportive Transitional Emancipation Program (STEP)**

**page26**

Key issue: budget proposes to make implementation of the STEP program contingent on a budget appropriation for General Fund savings of \$38,000 in the current year and \$338,000 in the budget year.

*Action:* Adopted Governor's proposal.

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

**Issue H - Group home affiliated leases****page26**

Key issue: Proposed technical clarification of recently enacted trailer bill legislation to eliminate the term “affiliated lease,” and substitute the term “self-dealing transaction,” as defined in the Corporations Code.

*Action:* Adopted proposed trailer bill legislation to amend paragraph (1) of subdivision (d) of Welfare and Institutions Code section 11462.06 to read: "Commencing July 1, 2003, any group home provider with a self-dealing lease transaction for shelter costs, as defined in Section 5233 of the Corporations Code, shall not be eligible for an AFDC-FC rate.

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

**5. Adoption Assistance Program (AAP)****page27**

Key issue: budget provides \$576.9 million (\$247.8 million General Fund) for AAP grant payments. LAO makes a series of recommendations to contain growth, provide assistance to a more narrow population, and limit the level of AAP payments prospectively.

*Action:* Directed Subcommittee staff to work with the LAO, the Administration, counties and other stakeholders to consider the impact of the reforms proposed by the LAO on foster children, adoptive families and program costs and to consider alternative strategies to contain growth without creating disincentives to adoption.

**6. Proposed Workload Relief Associated with Reductions in State Operations**

Key issue: The DSS contributed \$5.9 million in General Fund savings to Control Section 4.10 reductions. Budget proposes statutory changes to permanently reduce DSS workload.

**Issue A - Eliminate the Child Care Advocate Program****page30**

Key issue: budget proposes legislation to make it optional for the DSS to establish a Child Care Ombudsman program and renames the program as the Child Care Advocate Program.

*Action:* Kept issue open pending receipt by the Legislature of the programmatic impact of Section 4.10 reductions.

**Issue B - Processing of Applications for Trustline Certification****page 30**

Key issue: budget proposes legislation to shift responsibility of receiving Trustline applications and submitting provider fingerprints to the Child Care Resource and Referral Network.

*Action:* Kept issue open pending receipt by the Legislature of the programmatic impact of Section 4.10 reductions.

**Issue C - State Hearings for Providers Applying for Licensure****page31**

Key issue: budget proposes legislation to eliminate the right to an administrative hearing for providers who are denied licensure by DSS.

*Action:* Rejected proposed legislation.

*Vote:* 4 - 0 (*Aye:* Chesbro, Cedillo, McPherson and Ortiz)

**Issue D - Expand Activities Supported by the Technical Assistance Fund** **page31**

Key issue: budget proposes legislation to broaden the activities supported by the Fund to include administrative and other licensing activities.

*Action:* Kept issue open pending receipt by the Legislature of the programmatic impact of Section 4.10 reductions.

**Issue E - Certification and Monitoring of Out-of-State Group Homes** **page31**

Key issue: budget proposes legislation to eliminate the requirement that the Department of Social Services certify and monitor out-of-state group homes.

*Action:* Kept issue open pending receipt by the Legislature of the programmatic impact of Section 4.10 reductions.

**Issue F - Eliminate Claimants Rights for Rehearings** **page32**

Key issue: budget proposes legislation to eliminate the statutory authority for claimants and counties to request rehearings from the Department of Social Services.

*Action:* Kept issue open pending receipt by the Legislature of the programmatic impact of Section 4.10 reductions.

**Issue G - CalWORKs Mental Health Pilot Program** **page33**

Key issue: budget proposes legislation to eliminate the requirement that DSS develop a plan for operation of the pilot program and report to the Legislature by 2005.

*Action:* Kept issue open pending receipt by the Legislature of the programmatic impact of Section 4.10 reductions.

**Issue H - Group Home Rates** **page33**

Key issue: budget proposes legislation to (1) impose a 3-year suspension of the biennial rate-setting requirements applicable to group home programs and foster family agencies; (2) authorize a 3-year suspension of non-provisional program audits; and (3) removes the requirement for the department to reimburse certain providers for audit costs.

*Action:* Kept issue open pending receipt by the Legislature of the programmatic impact of Section 4.10 reductions.